

# BUDGET LETTER

NUMBER: 02-22

SUBJECT: 2003-04 SALARIES AND WAGES GALLEY  
(AUTHORIZED POSITIONS & COST ESTIMATES)

DATE ISSUED: AUGUST 19, 2002

REFERENCES: GOVERNMENT CODE SECTION 12439

SUPERSEDES: BL 01-29

TO: Departmental Budget Officers  
Department of Finance Budget Staff

FROM: DEPARTMENT OF FINANCE

**BUDGET OFFICERS ARE REQUESTED TO FORWARD A COPY OF THIS BUDGET LETTER TO DEPARTMENTAL PERSONNEL OFFICERS.**

**Note: Departmental Budget Officers will receive a hard copy of this Budget Letter (BL) with the initial 2003-04 Salaries and Wages galley.**

**This BL provides new information or significantly revised sections in Sections III, 1 and 12 through 14.**

## I. SALARIES AND WAGES GALLEY

Departmental Budget Officers are receiving two copies (**control proof copy and departmental copy**) of the initial Salaries and Wages galley (Schedule 7A) prepared from State Controller Office's (SCO) payroll records of "Established Positions" adjusted to reflect departmental input on the Finance Conversion Code Report (FCC) for formatting, sequencing of data, and printing of totals. As in past years, these galleys are double-spaced to facilitate the recording of changes and are to be used for submission of the 2003-04 Salaries and Wages Supplement to the Department of Finance (Finance).

## II. STATE CONTROLLER REPORTS

The SCO has released directly to departments the following reports:

- Finance Conversion Code Report
- Schedule 8 Tabulation
- Supplemental Schedule 8 Tabulation
- Supplemental Schedule 7A Tabulation
- Abolished Vacant Position Report
- Blanket Position Expenditure Report

All adjustments made to these tabulations **must be recorded on the Salaries and Wages galley** in accordance with the guidelines outlined in State Administrative Manual (SAM) Sections 6415, et seq. Attachment A describes the documents used by departments to develop the Salaries and Wages Supplement. Attachment B describes the steps to adjust the initial Schedule 7A to the correct authorized amounts.

### III. SALARIES AND WAGES PREPARATION

Departments must comply with the following instructions:

1. **Employee Compensation Program**—Instructions regarding employee compensation adjustments will be provided in a future BL.
2. **Career Executive Assignment (CEA) Positions**—The initial Schedule 7A galley reflects all CEA positions separated by each CEA level (e.g., CEA I, CEA II, etc.). All CEA salary ranges reflect the minimum/maximum of the CEA broadband. The salary range for all CEA positions must be updated to reflect the appropriate salary range by level (i.e., CEA I = \$5,493 - \$6,975; CEA II = \$6,954 - \$7,668; CEA III = \$7,648 - \$8,432; CEA IV = \$8,025 - \$8,845; CEA V = \$8,493 - \$9,362).
3. **Merit Salary Adjustments (MSA)**—MSA expenditure projections are included on the Schedules 8 and 7A, excluding CEA positions. CEA positions do not have an MSA expenditure projection included on the Schedules 8 and 7A. No statewide funding has been provided in the 2002 Budget Bill for MSAs, and any costs incurred by departments must be absorbed from within existing resources.
4. **Permanent Employees**—Generally, all permanent employees (full-time and part-time) must fill established positions and not be budgeted in blanket authorizations.
5. **Salary Range**—The salary range on the initial Schedule 7A galley reflects the minimum and maximum salary rate for each classification. Generally, all classifications include a corresponding salary range. However, when a classification exists without a salary range, departments must insert the appropriate minimum and maximum salary range.
6. **Partial-Year Authorizations**—Partial year adjustments were discontinued beginning in the 1997-98 Governor's Budget. Therefore, any positions that are authorized for less than a full fiscal year, must reflect the **net position count** and the **net associated dollars**.
7. **Temporary Help Authorizations—Display personnel years for all three years**, including personnel years for student assistants, seasonal, and other personnel used for temporary purposes. Do not include permanent employees (full-time or part-time) other than permanent intermittent in the Temporary Help authorizations.
8. **Overtime**—Budget as a separate line entry. **Do not** display personnel years for overtime.
9. **Blanket Authorizations**—Departments no longer need to submit STD. 607s through Finance to establish blankets for payment of temporary help, overtime, etc. The SCO no longer controls expenditures from established blankets to any specified funding level. Each department, however, should establish internal controls and continue to monitor all blanket expenditures to ensure that expenditures do not exceed budgeted funds. The SCO will continue to pay from blankets and submit monthly and year-end blanket expenditure reports to each department.
10. **Reorganizations**—Only those approved reorganizations that were reflected in the updated FCC report issued by the SCO have been included in the Schedule 7A galley. Any subsequent reorganizations which are proposed for the 2003-04 Budget must first be approved by Finance. Upon approval, the reorganizations must be reflected in the Changes

in Authorized Positions schedule in a **condensed version** rather than through extensive changes to the Schedule 7A.

11. **Limited-Term Positions**—A limited-term position is any position that has been authorized for a specific length of time with a set termination date. Departments must list all limited-term positions at the end of their Salaries and Wages presentation in footnote format following the “**Continuously Vacant Positions Abolished by the SCO per Government Code Section 12439**” display.
12. **Continuously Vacant Positions**—Chapter 127, Statutes of 2000, amended Government Code Section 12439. Effective July 1, 2001, the SCO abolished positions vacant for **six consecutive monthly pay periods** during the previous fiscal year. (Positions exempt from civil service, the California State University instruction, and instructional-related positions continue to be the only exceptions to this statute.) Therefore, these abolished positions do not appear on the Schedule 7A. Departments must display the abolished positions at the end of their Salaries and Wages presentation. The title to be used is “Continuously Vacant Positions Abolished by the SCO per Government Code Section 12439”.
13. **Elimination of Vacant Positions per Section 31.50**—The proposed 2002 Budget Bill reflects the elimination of vacant positions in various departments. Section 31.50 requires each department that has unspecified vacant positions to be abolished, submit a detailed list of those positions accompanied by appropriate documentation (Form 607s) to Finance by September 1, 2002. These positions were eliminated in the specific departments as a lump sum reduction during the 2002-03 Change Book process. Depending on the timing of processing the appropriate documents to Finance and the SCO, these positions may be included in departments’ initial Schedules 8/7A printed by the SCO. These positions must be removed from the final Schedule 7A to be submitted to Finance.
14. **Abolishment of Permanent Vacant Positions per Section 31.60**—Section 31.60, as proposed in the 2002 Budget Bill, specifies the Director of Finance will abolish at least 6,000 permanent vacant positions in departments. Instructions regarding the display of these position abolishments will be provided in the near future and related adjustments will be included in the Changes in Authorized Positions (Schedule 2).
15. **Vacant Positions on Schedule 7A**—Departments must budget vacant positions at the first step of the appropriate classifications, except for positions within interchangeable classes.
16. **Vacant Positions within Interchangeable Classes**—For interchangeable classes, departments must budget vacant positions at the minimum step of the: (a) lowest salary range for groups consisting of two classes; (b) middle salary range for groupings which contain an odd number of classes; or (c) lowest salary range of the lowest classification of the two middle classes for groupings which contain an even number of classifications in excess of two.
17. **Subtotals**—The following subtotal lines have been included on the 7A galleys following the department's "Totals, Authorized Positions" line as follows:
  - Regular/Ongoing Positions
  - Temporary Help
  - Overtime
18. **Personnel Years System Worksheet (Attachment C)**—Each department will receive a Personnel Years System Worksheet attached to each Salaries and Wages galley. The

information provided on these worksheets is used to develop Summary Schedule 4 (Personnel Years and Salary Cost Estimates) for inclusion in the 2003-04 Governor's Budget Summary. The personnel years and dollar amounts for civil service (including all blankets); statutory; constitutional; and exempt are to be computed by departments and inserted on the Personnel Years System Worksheet. Dollar amounts on the worksheet must be **in thousands**.

It is the department's responsibility (department head or designee) to **sign each worksheet** to certify that existing positions established on the SCO position roster, as amended by the appropriate department payroll and position documents, reflect the approved program. Certification to the SCO is no longer required (SAM Section 6521).

19. **Standard Abbreviations (Attachment D)**—Departments must use this listing when preparing the Salaries and Wages galley.

Please return the **control copy** of the completed Salaries and Wages (Schedule 7A) galley, the Personnel Years System Worksheet, Schedule 8 List of Errors (SAM Section 6429), and the Schedule 8 Summary to Finance as soon as possible, but no later than the printing schedule date established by your Finance Program Budget Manager.

If you have any questions regarding the Salaries and Wages galley, please contact your Finance Budget Analyst. If you have any questions regarding the Personnel Years System Worksheet, please contact Teresa Bierer or Lajunta Inman at (916) 322-5540 or (lease line, (916) 492-5540).

*Veronica Chung-ng*  
for

Yoshie Fujiwara  
Program Budget Manager

Attachments

### Upcoming Budget Letters

- 2003-04 Price Letter
- Late Payment Penalty Interest Rates
- Change to General Statewide Sections
- Expenditure Authorization Controls
- Supplemental Language Report Requests

**DOCUMENTS USED IN THE DEVELOPMENT  
OF THE SALARIES AND WAGES SUPPLEMENT**

**Finance Conversion Code (FCC) Report**—The FCC Report and instructions were released to State departments by the State Controller's Office (SCO). Departments were requested to review this report and make all required changes to enable the SCO to arrange the information from the Uniform State Payroll System database to prepare the electronic file for printing the Salaries and Wages Schedule 7A galleys. Proper updating of the FCC Report ensures that galleys will be in the desired format with proper sequencing, indentations, and totals, which will eliminate and/or minimize manual changes on the galleys at a later date.

**Schedule 7A Galley**—The Schedule 7A galley represents a summary listing of all authorized regular/ongoing positions by classification within each reporting unit from the SCO payroll records of "Established Positions". Essentially, the 7A galley proof summarizes the Schedule 8 detailed information. (The total number of positions on the initial Schedule 8 equals the combined totals shown on the initial Schedule 7A and Supplementary Schedule 7A.)

**Supplementary Schedule 7A**—This listing provides information on positions and expenditures which were not included in the initial Schedule 7A because the Agency/Reporting Unit Codes were not shown on the Finance Conversion Code Report described above. Departments must manually add the information on the Supplementary Schedule 7A to the initial Schedule 7A.

**Schedule 8**—A listing of approved established regular/ongoing positions with related personnel information, including past-year expenditures by class code and estimated expenditures for the current and budget years for each position. (The total number of positions on the initial Schedule 8 equals the combined totals shown on the initial Schedule 7A and Supplementary Schedule 7A.)

**Supplementary Schedule 8**—A listing of current and budget years information on employees for which there are no established positions (by Form 607 action) to continue beyond June 30 of the past-year, or for those positions with a non-existent class code. Past-year expenditures, if any, for these employees are displayed on the Schedule 8.

**Personnel Years System Worksheet**—A document completed by each department reflecting the total number of Civil Service, Constitutional, Statutory, and Exempt positions authorized for the current year as reported in the current (2002-03) Salaries and Wages Supplement publication. The current authorized level is continued into the budget year (2003-04).

The Personnel Years System Worksheet is to be updated as necessary and returned to Finance attached to the Schedule 7A. To complete the Personnel Years System Worksheet, the department budget offices must:

1. Update by increasing or decreasing the respective authorized levels based on recent constitutional or statutory changes.
2. Report Past-Year Personnel-Years expended based on Schedule 8 reports from the SCO (include all blankets).
3. Insert authorized civil service positions (include all blankets).
4. Add and post position totals.
5. Correct and update "Expenditures" columns (**in thousands**) to correspond with changes for "Personnel-Years" and "Positions." Overtime has no Personnel Year count, but is included in dollars.

6. The "Totals, Authorized Positions" line (both positions and dollars) must agree with the totals on the completed Schedule 7A. These totals must be the same as the "Authorized Positions" lines in the Summary-by-Object and Changes in Authorized Positions schedule in the budget galley.
7. Sign each worksheet to certify that the authorized positions reported reflect the approved program.

**Inventory of Continuously Vacant Positions**—Beginning on July 1, 2001, this inventory includes positions continuously vacant for six consecutive monthly pay periods during the period between July 1 and June 30 of the preceding fiscal year, which have been abolished pursuant to Government Code Section 12439.

**Blanket Position Expenditure Report**—A listing of established blanket numbers (for overtime, temporary help, seasonal, etc.) with the corresponding dollars and personnel years expended, and the remaining balance.

**Standard Form 607**—Form 607 position documents received by the SCO by June 15 are normally reflected on the SCO's reports.

**Schedule 8 Summary Reconciliation**—This summary schedule is prepared by departments to reconcile the total authorized number of positions listed in the 2002-03 Governor's Budget as amended by the Final Change Book. Differences in the number of positions are to be explained with references to documents which support the changes (see SAM Section 6448).

**Payroll Certification Notice**—Upon completion of the Schedule 8 Summary reconciliation, departments (department head or designee) must sign the Personnel Years System Worksheet to certify that existing positions established on the SCO position roster, as amended by appropriate department payroll and position documents, reflects the approved program. Certification to SCO is no longer required (see SAM Section 6521).

## STEPS TO COMPLETE SALARIES AND WAGES SUPPLEMENT

All of the documents described in Attachment A are used in the development of the final Salaries and Wages Supplement. The following basic steps illustrate the reconciliation process for position totals between the initial Schedule 7A galley and the final printed Salaries and Wages Supplement.

	<u>2001-02</u>	<u>2002-03</u>	<u>2003-04</u>
Initial Schedule 7A	XXXX	XXXX	XXXX
Adjustments from Supplementary Schedule 7A as Appropriate:	+ X	+ X	+ X
Subtotals (Equals Initial Schedule 8)	<u>XXXX</u>	<u>XXXX</u>	<u>XXXX</u>
Adjustments from Supplementary Schedule 8 as Appropriate:		+ X	+ X
Add Blanket Positions	+ X	+ X	+ X
Add Back Abolished Positions			
Continuously vacant positions which were erroneously dropped but subsequently added back as a technical correction. (Display at the bottom of the Schedule 7A galley the remaining vacant positions abolished pursuant to the provisions of Government Code 12439.)			+ X
Position changes (increase or decrease) per Legislature and Governor's vetoes (Change Book)		± X	± X
Totals -- These amounts must reconcile to the position totals in the previous Governor's Budget as adjusted by the position changes in the Final Change Book. Any difference must be footnoted on the Schedule 7A galley.	<u>XXXX</u>	<u>XXXX</u>	<u>XXXX</u>

DEPARTMENT OF FINANCE  
2003-04 PERSONNEL YEARS SYSTEM  
INITIAL CLASSIFICATION WORKSHEET

Org/Dept: \_\_\_\_\_

	2001-02	Positions 2002-03	2003-04	Expenditures (dollars in thousands)		
				2001-02	2002-03	2003-04
Civil Service						

Constitutional:

_____						
_____						
_____						
TOTAL Constitutional						

Statutory:

_____						
_____						
_____						
TOTAL Statutory						

Exempt:

_____						
_____						
_____						
TOTAL Exempt						

TOTALS, AUTHORIZED POSITIONS  
(Per Salaries & Wages Supplement)

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**DEPARTMENTAL CERTIFICATION FOR CONTINUED  
PAYMENT OF ESTABLISHED POSITIONS**

"I hereby certify that the positions in SCO's position roster as amended by documentation submitted to SCO and recorded on the Schedule 8 & 7A submission to DOF are in accordance with the broad criteria established in SAM Section 6521."

\_\_\_\_\_  
**SIGNATURE (Department Head or Designee)**

**PREPARED BY:**

\_\_\_\_\_  
**DEPT BUDGET ANALYST**

\_\_\_\_\_  
**PHONE NO.**

\_\_\_\_\_  
**DATE**

**REVIEWED BY:**

\_\_\_\_\_  
**FINANCE BUDGET ANALYST**

\_\_\_\_\_  
**EXT NO.**

\_\_\_\_\_  
**DATE**

ATTACHMENT C



## POSITION CLASSIFICATION ABBREVIATIONS

<i>Word</i>	<i>Abbreviation</i>	<i>Word</i>	<i>Abbreviation</i>	<i>Word</i>	<i>Abbreviation</i>
academic year .....	acad yr	electrical .....	elec	organization .....	org
account(s) .....	acct(s)	electronic data processing	EDP	personnel .....	pers
accounting .....	acctg	employee and		physical .....	phys
administrative .....	adm	employer .....	emp/emp	planner .....	plnr
administration .....	admin	employment .....	empt	planning .....	plan
advisor .....	advr	engineer .....	enr	power .....	pwr
affairs .....	affs	engineering .....	engrng	prevention .....	prev
affirmative .....	aff	environment .....	envirn	principal .....	prin
agricultural .....	agric	environmental .....	envirntl	processing .....	proc
agriculture .....	agri	equal employment		production .....	prod
and .....	&	opportunity .....	EEO	professional(s) .....	prof(s)
appliance .....	appl	equipment .....	equipt	program(s) .....	pgrm/prog(s)
appointment .....	appt	evaluation .....	eval	project .....	proj
apprentice .....	apprnt	examination .....	exam	property .....	prop
assessment .....	assess	executive .....	exec	psychiatric .....	psych
assistant .....	asst	federal .....	fed	public .....	pub
associate .....	assoc	federal fund .....	FF	recreation .....	recre
attorney .....	atty	field .....	fld	record(s) .....	recd(s)
automotive .....	auto	general .....	gen	registration .....	regis
bilingual-bicultural .....	bi/bi	government .....	gov	regulatory .....	reg
biology .....	biol	governmental .....	govtl	rehabilitation .....	rehab
board .....	bd	handicap .....	hdcp	reimbursement .....	reimb
branch .....	br/brch	health .....	hlth	representative .....	rep
building .....	bldg	high occupancy vehicle	HOV	reproduction .....	reprod
bureau .....	bur	highway .....	hwy	residential .....	res
business .....	bus	hospital .....	hosp	retirement .....	ret
Dept. of Transportation	Caltrans	hydraulic .....	hyd	river .....	rvr
calculator .....	calc	hydroelectric .....	hyd	secretary .....	secty
captain .....	capt	identification .....	id	section .....	sec/sect
career executive		information .....	info	senior .....	sr
appointment .....	CEA	inheritance .....	inh	sergeant .....	sgt
center .....	cntr/ctr	inspector .....	insp	service .....	serv
certification .....	cert	institutional .....	instl	social .....	soc
chemistry .....	chem	instruction .....	inst	southern .....	so
clerk .....	clk	instructional .....	instl	specialist .....	spec
compensation .....	comp	insurance .....	ins	standards .....	stds
conservation .....	cons	intergovernmental .....	intergovtl	statistics .....	stat
construction .....	constrn	intermediate .....	inter	stenographer .....	steno
control .....	cntrl	international .....	intntl	subdivision .....	sub
coordinator .....	coord	junior .....	jr	superintendent .....	supt
corporate .....	corp	laboratory .....	lab	supervising .....	supvng
corrections .....	corrs	leadership .....	ldrshp	supervisor .....	supvr
correctional .....	corr	level of care .....	LOC	supervisory .....	supvry
county .....	co	licensing .....	lic	system(s) .....	sys(s)
criminal .....	crim	lieutenant .....	lieut	tabulating .....	tab
curriculum .....	curr/curric	machine .....	mach	technical .....	tech
data processing .....	DP	maintenance .....	maint	technician .....	techn
department .....	dept	management .....	mgt/mgmt	technology .....	tech
departmental .....	deptl	manager .....	mgr	telecommunication .....	telecomm
deputy .....	dep	managerial .....	mgrl	teletypewriter .....	TWX
determination(s) .....	determ(s)	mechanical .....	mech	television .....	TV
development .....	dev/develmt	medical .....	med	training .....	trng
developmental .....	develmtl	member .....	mbr	transactions .....	trans
disability .....	dis	month .....	mo	transportation .....	transp
dispatch .....	disp	mountain .....	mt	typing .....	typ
district .....	dist	nonsupervisory .....	nonsupvry	veterinary .....	vet
division .....	div	occupational .....	occ	vocational .....	voc
drafting .....	drftg	office .....	ofc		
duplicating .....	dup	officer .....	off/ofcr		
economic .....	econ	operations .....	ops/oper(s)		
education .....	ed/educ	operator .....	opr		